

**CITY OF NATCHITOCHES,
CITY MARSHAL
ANNUAL FINANCIAL REPORT**

DECEMBER 31, 2009

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7/14/10

City of Natchitoches, City Marshal
December 31, 2009

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CITY OF NATCHITOCHES, CITY MARSHAL

**P. O. Box 303
Natchitoches, LA 71458-0303**

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the City of Natchitoches, City Marshal's (hereafter referred to as the Marshal) annual financial report presents our discussion and analysis of the Marshal's financial performance during the year that ended December 31, 2009. Certain comparative information is presented to provide an overview of the Marshal's operations. Please read it in conjunction with the Marshal's financial statements, which follow this section.

Financial Highlights

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the Marshal as a whole and present a longer-term view of the Marshal's finances. These statements tell how these services were financed in the short-term as well as what remains for future spending. The Marshal, a component unit of the City of Natchitoches, conducts the day-to-day operations through a governmental fund, the General Fund. The Marshal also maintains a Fiduciary Fund. As a fiduciary fund is simply held for other parties and cannot be used for any of the Marshal's activities, it is not included in the government-wide statement but is separately reported in the statements of the Fiduciary Fund.

A summary of the basic government-wide financial statements is as follows:

Summary of Statement of Net Assets

	<u>2009</u>	<u>2008</u>
ASSETS:		
Current Assets	\$59,838	\$46,295
Capital Assets, Net of Accumulated Depreciation	<u>7,940</u>	<u>14,442</u>
Total Assets	<u>\$67,778</u>	<u>\$60,737</u>
LIABILITIES:		
Accounts Payable	<u>\$13,926</u>	<u>\$21,666</u>
Total Liabilities	<u>\$13,926</u>	<u>\$21,666</u>
NET ASSETS:		
Invested in Capital Assets	\$ 7,940	\$14,442
Unrestricted	<u>45,912</u>	<u>24,629</u>
Total Net Assets	<u>\$53,852</u>	<u>\$39,071</u>

Summary of Statement of Activities

	<u>2009</u>	<u>2008</u>
REVENUES:		
Charges for Services	\$371,135	\$301,438
On-behalf Revenues	177,261	176,166
Miscellaneous	<u>1,013</u>	<u>440</u>
Total Revenues	<u>\$549,409</u>	<u>\$478,044</u>
EXPENSES:		
Operating Expenses	\$269,276	\$247,034
Other Governmental Agencies	<u>265,352</u>	<u>231,702</u>
Total Expenses	<u>\$534,628</u>	<u>\$478,736</u>
Change in Net Assets	<u>\$ 14,781</u>	<u>\$ (692)</u>

- Net assets increased by \$14,781 for the year.
- Unrestricted net assets, the amount available for obligations to both citizens and creditors, increased \$21,283 from prior year.

General Fund Budgetary Highlights

Revenues received by the Marshal's office continue to be sufficient to maintain the normal day-to-day operations. All capital assets are free and clear of debt.

Economic Factors and Next Year's Budget

The Marshal considered many factors when setting the budget for fiscal year 2010. Revenue and expenses are not expected to differ significantly from the fiscal year 2009 levels.

Contacting the City Marshal

This financial report is designed to provide our citizens and creditors with a general overview of the Marshal's finances and to show the Marshal's accountability for the money it receives. Any questions about this report or requests for additional information may be directed to City of Natchitoches, City Marshal, P. O. Box 303, Natchitoches, LA 71458-0303.

Johnson, Thomas & Cunningham

Certified Public Accountants

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation
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INDEPENDENT AUDITOR'S REPORT

Alton Rachal, City Marshal
City of Natchitoches
P. O. Box 303
Natchitoches, LA 71458-0303

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the City of Natchitoches, City Marshal (City Marshal), a component unit of the City of Natchitoches, as of and for the year ended December 31, 2009, which collectively comprise the City Marshal's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City Marshal's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund and the aggregate remaining fund information of the City Marshal, as of December 31, 2009, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2010, on our consideration of the City Marshal's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over

financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 1 through 4 and 26 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Johnson, Thomas & Cunningham, CPA's
Johnson, Thomas & Cunningham, CPA's

June 17, 2010
Natchitoches, Louisiana

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS**

City of Natchitoches, City Marshal
Statement of Net Assets
December 31, 2009

	Governmental <u>Activities</u>
ASSETS:	
Current Assets-	
Cash & Cash Equivalents	\$43,939
Revenue Receivable	15,899
Non-current Assets-	
Capital Assets (Net)	<u>7,940</u>
Total Assets	<u>\$67,778</u>
LIABILITIES:	
Accounts Payable	<u>\$13,926</u>
NET ASSETS:	
Invested in Capital Assets	\$ 7,940
Unrestricted	<u>45,912</u>
Total Net Assets	<u>\$53,852</u>

The accompanying notes are an integral part of this statement.

City of Natchitoches, City Marshal
Statement of Activities
December 31, 2009

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Assets Governmental Activities</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
Governmental Activities-				
Public Safety-				
Operating Expenses	\$269,276	\$371,135	\$177,261	\$ 279,120
Other Governmental Agencies	<u>265,352</u>	<u>0</u>	<u>0</u>	<u>(265,352)</u>
Total Governmental Activities	<u>\$534,628</u>	<u>\$371,135</u>	<u>\$177,261</u>	\$ 13,768
	General Revenues-			
	Miscellaneous			<u>1,013</u>
	Change in Net Assets			\$ 14,781
	Net Assets January 1, 2009			<u>39,071</u>
	Net Assets December 31, 2009			<u>\$ 53,852</u>

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

City of Natchitoches, City Marshal
Balance Sheet-Governmental Fund
December 31, 2009

Assets:

Cash & Cash Equivalents	\$43,939
Revenue Receivable	<u>15,899</u>
Total Assets	<u>\$59,838</u>

Liabilities:

Accounts Payable	\$13,926
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Fund Balance:

Unreserved	<u>45,912</u>
Total Liabilities and Fund Balance	<u>\$59,838</u>

The accompanying notes are an integral part of this statement.

City of Natchitoches, City Marshal
Reconciliation of the Governmental Fund
Balance Sheet to the Statement of Net Assets
December 31, 2009

Total Fund Balance for the Governmental Fund at December 31, 2009	\$ 45,912
Total Net Assets reported for Governmental Activities in the Statement of Net Assets is different because:	
Capital Assets used in Governmental Activities are not financial resources and, therefore, are not reported in the fund. Those assets consist of:	
Equipment and Vehicles	71,115
Less: Accumulated Depreciation	<u>(63,175)</u>
Total Net Assets of Governmental Activities at December 31, 2009	<u>\$ 53,852</u>

The accompanying notes are an integral part of this statement.

City of Natchitoches, City Marshal
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Fund
Year Ended December 31, 2009

REVENUES:

Charges for Services	\$371,135
On-behalf Revenues	177,261
Miscellaneous	<u>1,013</u>
Total Revenues	<u>\$549,409</u>

EXPENDITURES:

Current-

Public Safety-

Office Expense	\$ 8,252
Telephone/Utilities	5,578
Uniforms	597
Rent	7,975
On-behalf Payments	177,261
Building	16,290
Vehicle Expense	5,104
Other	32,293

External Appropriations-

City Court	100,006
Clerk of Court	2,488
District Attorney	38,691
Public Defender Fund	56,332
LCLE/Criminal Justice	3,158
NWLA Juvenile Center	12,082
Crime Victims	4,245
LSP Breath Analysis	1,125
Crime Lab	44,310
LA Court Mgt. Info. System	3,222
LA Hsct. Trust Fund	2,430
Natchitoches Police Jury	5,850
Treasurer, State of Louisiana	<u>837</u>

Total Expenditures	<u>\$528,126</u>
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Excess of Revenues over Expenditures	\$ 21,283
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Fund Balance-Beginning of Year	<u>24,629</u>
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Fund Balance-End of Year	<u>\$ 45,912</u>
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The accompanying notes are an integral part of this statement.

City of Natchitoches, City Marshal
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balance of the Governmental Fund
to the Statement of Activities
For the Year Ended December 31, 2009

Total Net Change in Fund Balance at December 31, 2009, per Statement of Revenues, Expenditures and Changes in Fund Balance	\$21,283
The Change in Net Assets reported for Governmental Activities in the Statement of Activities is different because:	
Depreciation expense in Capital Assets is reported in the Government-wide Financial Statements, but does not require the use of current financial resources and is not reported in the Fund Financial Statements. Current year depreciation expense is	<u>(6,502)</u>
Total changes in Net Assets at December 31, 2009, per Statement of Activities	<u>\$14,781</u>

The accompanying notes are an integral part of this statement.

City of Natchitoches, City Marshal
Statement of Fiduciary Net Assets
Civil Fund
December 31, 2009

Assets:	<u>Agency Funds</u>
Cash	<u>\$86,742</u>
Total Assets	<u>\$86,742</u>
Liabilities:	
Unsettled Deposits	<u>\$86,742</u>
Total Liabilities	<u>\$86,742</u>

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

City of Natchitoches, City Marshal
Notes to Financial Statements
December 31, 2009

1. Introduction:

As provided by Louisiana Statutes, the City Marshal is the executive officer of the City Court. The Marshal shall execute the orders and mandates of the Court system of the City of Natchitoches, Louisiana. The City Marshal is elected to a term of six years.

2. Summary of Significant Accounting Policies:

The accompanying component unit financial statements of the City of Natchitoches, City Marshal, have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. Reporting Entity-

As the governing authority of the city, for reporting purposes, the City of Natchitoches, Louisiana is the financial reporting entity for the local government. The financial reporting entity consists of (a) the primary government (City of Natchitoches), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the City of Natchitoches for financial reporting purposes. The basic criteria for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body and
 - a. The ability of the city to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the city.
2. Organizations for which the city does not appoint a voting majority but are fiscally dependent on the city.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

City of Natchitoches, City Marshal
Notes to Financial Statements
December 31, 2009

Because of item 2 above, the City of Natchitoches, City Marshal, was determined to be a component unit of the City of Natchitoches, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Marshal and do not present information on the city, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. Basis of Presentation-

Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and Statement of Activities report information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Marshal's governmental activities. Direct expenses are those that are specifically associated with a program or function. Program revenues include (a) fees and charges paid by the recipient for goods or services offered by the program, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

C. Fund Accounting-

The accounts of the Marshal are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The Marshal maintains two funds. They are categorized as a governmental fund and fiduciary fund. The emphasis on fund financial statements is on major governmental funds; each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity.

The funds of the Marshal are described below:

Governmental Fund-

General Fund

The General Fund is the general operating fund of the Marshal. It is used to account for all financial resources except those required to be accounted for in another fund.

City of Natchitoches, City Marshal
Notes to Financial Statements
December 31, 2009

Fiduciary Fund-

Fiduciary Funds are used to account for assets held by the Marshal in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Fiduciary Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities of the Marshal, these funds are not incorporated into the government-wide statements.

D. Measurement Focus/Basis of Accounting-

Basis of accounting refers to when revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual Basis - Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and the Statement of Activities display information about the Marshal's office as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Modified Accrual Basis - Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Marshal considers all revenues "available" if they are collected within 60 days after year-end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due and (2) claims and judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.

City of Natchitoches, City Marshal
Notes to Financial Statements
December 31, 2009

E. Assets, Liabilities, and Equity-

Cash and Interest-Bearing Deposits-

For purposes of the Statement of Net Assets, cash and cash equivalents include all interest-bearing deposits, demand accounts and savings accounts of the Marshal.

Capital Assets-

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Marshal maintains a threshold level of \$500 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of that asset or materially extend the life of that asset are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of useful lives by type of asset is as follows:

Furniture, computers	5 years
Radios	10 years
Vehicles	5 years

Compensated Absences-

Employees of the City Marshal are paid by the City of Natchitoches, including any leave payments, therefore there are no entries made to record compensated absences in the funds of the City Marshal.

Equity Classifications-

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt---Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

City of Natchitoches, City Marshal
Notes to Financial Statements
December 31, 2009

- b. Restricted net assets---Consists of net assets with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.
- c. Unrestricted net assets---All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

F. Budgetary Practices-

The City Marshal follows these procedures in establishing the budgetary data reflected in the financial statements:

Budgetary data for the general fund is prepared based on prior year actual operating revenues and expenditures. The general fund is maintained on the modified accrual basis and therefore no reconciliations between legally enacted basis and GAAP basis is required.

The Marshal's office performs only a custodial function in the case of fiduciary funds and therefore a budget for these funds is not appropriate.

G. Estimates-

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. Cash and Cash Equivalents:

For reporting purposes, cash and cash equivalents include demand deposits and time deposits. At December 31, 2009, the Marshal had cash and cash equivalents (collected bank balances) totaling \$156,572. Cash and cash equivalents are stated at cost, which approximates market. Under Louisiana law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank. These pledged securities are held in the name of the pledging bank in a holding or custodial bank in the form of safekeeping receipts held by the Marshal. The deposits at December 31, 2009, were fully secured by FDIC Insurance.

City of Natchitoches, City Marshal
Notes to Financial Statements
December 31, 2009

4. Capital Assets:

Capital asset balances and activity for the year ended December 31, 2009, is as follows:

Governmental Activities	Balance 01-01-09	Additions	Deletions	Balance 12-31-09
Capital Assets:				
Furniture, computers	\$13,709	\$ 0	\$0	\$13,709
Radios	775	0	0	775
Vehicles	<u>56,631</u>	<u>0</u>	<u>0</u>	<u>56,631</u>
Total Assets	<u>\$71,115</u>	<u>\$ 0</u>	<u>\$0</u>	<u>\$71,115</u>
Less: Accumulated Depreciation:				
Furniture, computers	\$11,904	\$ 964	\$0	\$12,868
Radios	624	78	0	702
Vehicles	<u>44,145</u>	<u>5,460</u>	<u>0</u>	<u>49,605</u>
Total Depreciation	<u>\$56,673</u>	<u>\$ 6,502</u>	<u>\$0</u>	<u>\$63,175</u>
Net Capital Assets	<u>\$14,442</u>	<u>\$(6,502)</u>	<u>\$0</u>	<u>\$ 7,940</u>

Depreciation expense of \$6,502 was charged to the public safety function.

5. On-Behalf Payments:

Employees of the City of Natchitoches, City Marshal's office receive salaries and fringe benefits from the City of Natchitoches and the State. Fringe benefits paid by the City include the required contributions to the Louisiana Municipal Employees Retirement System.

Salaries	\$133,810
Fringe Benefits	<u>43,451</u>
Total	<u>\$177,261</u>

In accordance with GASB Statement No. 24, the Marshal's office has recorded revenues and expenditures for these receipts and payments.

6. Litigation:

The Marshal is not a party in any litigation seeking damages for the year ended December 31, 2009.

City of Natchitoches, City Marshal
Notes to Financial Statements
December 31, 2009

7. Changes in Fiduciary Fund - Agency Funds:

The following is a summary of changes in agency fund unsettled balances for the year ended December 31, 2009:

<u>Fund</u>	<u>Balance 01-01-08</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12-31-09</u>
Civil	\$13,127	\$289,335	\$289,914	\$12,548
Delayed Fines	<u>55,099</u>	<u>150,292</u>	<u>131,197</u>	<u>74,194</u>
Totals	<u>\$68,226</u>	<u>\$439,627</u>	<u>\$421,111</u>	<u>\$86,742</u>

**OTHER REQUIRED
SUPPLEMENTARY INFORMATION**

City of Natchitoches, City Marshal
General Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2009

	<u>Budget</u>		<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Charges for Services	\$300,000	\$370,000	\$371,135	\$ 1,135
On-behalf Revenues	176,000	176,000	177,261	1,261
Miscellaneous	<u>500</u>	<u>6,000</u>	<u>1,013</u>	<u>(4,987)</u>
Total Revenues	<u>\$476,500</u>	<u>\$552,000</u>	<u>\$549,409</u>	<u>\$(2,591)</u>
EXPENDITURES:				
Current-				
Public Safety-				
Office Expense	\$ 9,000	\$ 9,000	\$ 8,252	\$ 748
Telephone/Utilities	6,000	6,000	5,578	422
Uniforms	1,000	1,000	597	403
Rent	9,000	9,000	7,975	1,025
On-behalf Payments	170,000	176,000	177,261	(1,261)
Building	14,000	16,000	16,290	(290)
Vehicle Expense	6,000	6,000	5,104	896
Other	25,000	35,000	32,293	2,707
External Appropriations-				
City Court	73,000	100,000	100,006	(6)
Clerk of Court	3,000	3,000	2,488	512
District Attorney	33,000	39,000	38,691	309
Public Defender	45,000	56,000	56,332	(332)
LCLE/Criminal Justice	3,000	3,000	3,158	(158)
NWLA Juvenile Center	11,000	12,000	12,082	(82)
Crime Victims	4,000	4,000	4,245	(245)
LSP Breath Analysis	2,000	2,000	1,125	875
Crime Lab	32,000	44,000	44,310	(310)
LA Court Mgt. Info. System	4,000	4,000	3,222	778
LA Hsct. Trust Fund	4,000	4,000	2,430	1,570
Natchitoches Police Jury	5,000	5,000	5,850	(850)
LA Treasurer	<u>1,000</u>	<u>1,000</u>	<u>837</u>	<u>163</u>
Total Expenditures	<u>\$460,000</u>	<u>\$535,000</u>	<u>\$528,126</u>	<u>\$ 6,874</u>
Excess of Revenue over Expenditures	\$ 16,500	\$ 17,000	\$ 21,283	\$ 4,283
Fund Balance-Beginning of Year	<u>24,629</u>	<u>24,629</u>	<u>24,629</u>	<u>0</u>
Fund Balance-End of Year	<u>\$ 41,129</u>	<u>\$ 41,629</u>	<u>\$ 45,912</u>	<u>\$ 4,283</u>

See accountant's report.

Johnson, Thomas & Cunningham

Certified Public Accountants

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation
Roger M. Cunningham, CPA – A Professional Corporation
Jessica H. Broadway, CPA – A Professional Corporation
Ryan E. Todtenbier, CPA – A Professional Corporation

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Alton Rachal, City Marshal
City of Natchitoches
P. O. Box 303
Natchitoches, LA 71458-0303

We have audited the financial statements of the governmental activities, major fund, and aggregate remaining fund of the City of Natchitoches, City Marshal (City Marshal) as of and for the year ended December 31, 2009, which collectively comprise the City Marshal's basic financial statements and have issued our report thereon dated June 17, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the City Marshal's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City Marshal's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City Marshal's internal control over financing reporting.

A deficiency in internal control exists when the design or operations of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal controls such that there is a reasonable possibility that a material misstatement of the City Marshal's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City Marshal's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The report is intended solely for the information and use of the City Marshal's management, the Louisiana Legislative Auditor, and interested state and federal agencies, and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Johnson, Thomas & Cunningham, CPAs
Johnson, Thomas & Cunningham, CPA's

June 17, 2010
Natchitoches, Louisiana

City of Natchitoches, City Marshal
Schedule of Findings & Questioned Costs
Year Ended December 31, 2009

I. Summary of Audit Reports

1. The audit report expresses an unqualified opinion on the financial statements of the Natchitoches City Marshal.
2. There were no significant deficiencies noted during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of the Natchitoches City Marshal were disclosed during the audit.

II. Financial Statements Audit

No findings.

III. Prior Year Findings

No findings.